REMARKS

Claims 52-113 are in the application.

Claims 52-113 were rejected under 35 U.S.C. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Each of the independent claims 52, 72, and 92 (from which all of the other claims depend) have been amended herein. It is respectfully submitted that independent clams 52, 72, and 92 as presented herein are believed to satisfy 35 U.S.C. 112 first paragraph. In support thereof, and as an example, reference is made to Fig. 11 and lines 13-19 of page 29 of the present application. Accordingly, it is requested that the 112 first paragraph rejection be withdrawn.

Claims 52-55, 59, 60, 62, 66-75, 80, 82, 84, 86-90, 92-96, 99, 100, 102, 104, 106-113 were rejected under 35 U.S.C. 102(b) as being anticipated by Ericsson (U.S. Patent No. 4,849,810).

Amended independent claim 52 recites in part the following:

"means for determining a number of quantization characteristics **pertaining to a quantization value** of low hierarchy data being a resolution higher than that of upper hierarchy data being a low resolution based only said upper hierarchy data..."

It is respectfully submitted that Ericsson as applied by the Examiner (hereinafter, merely "Ericsson") does not disclose the above features of claim 52. Accordingly, it is believed

that claim 52 is distinguishable from Ericsson. For somewhat similar reasons, it is also believed that independent claims 72 and 92 are distinguishable from Ericsson. Claims 53-71, 73-91 and 93-113 are dependent from one of the amended independent claims and due to such dependency, are believed to be distinguishable from Ericsson for at least the reasons previously described.

Claims 56-58, 61, 63, 65, 76-78, 81, 83, 85, 96-98, 101, 103 and 105 were rejected under 35 U.S.C. 103(a) as being unpatentable over Ericsson in view of Asamura et al. (Asamura) (U.S. Patent No. 5,442,399).

Claims 56-58, 61, 63, 65, 76-78, 81, 83, 85, 96-98, 101, 103 and 105 depend from one of the independent claims and, due to such dependency, are also believed to be distinguishable from Ericsson for at least the reasons previously described. The Examiner apparently does not rely on Asamura to overcome the above-described deficiencies of Ericsson. Accordingly, it is believed that claims 56-58, 61, 63, 65, 76-78, 81, 83, 85, 96-98, 101, 103 and 105 are distinguishable over the applied combination of Ericsson and Asamura.

In the event that the Examiner disagrees with any of the foregoing comments concerning the disclosures in the cited prior art, it is requested that the Examiner indicate where in the reference, there is the bases for a contrary view.

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Respectfully submitted, FROMMER LAWRENCE & HAUG LLP

By:

William S. Frommer Reg. No. 25,506 (212) 588-0800